

CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

REPORT

CD NO

COUNTRY East Germany

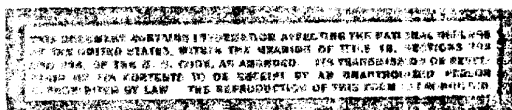
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SUBJECT East German Plans for Improving the Living Standard of the East German Population

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1. On 3 December 1953, approximately 30 representatives of the East German Ministry of Labor, the Ministry of Health, the Bundesvorstand of the FDGB and of various plants assembled in the Haus der Regierung in East Berlin to discuss a draft containing 20 proposals to improve the standard of living of the East German population.
2. Known representatives present at the meeting were: Herbert Warnke, Candidate of the SED Politburo; Gerhard Ziller, Secretary of the SED Central Committee; Jenny Matern, State Secretary in the Ministry of Health, and Rudi Kirchner of the FDGB Bundesvorstand. Also present were the following representatives from various East German plants: Gittel (fnu), Leunawerk Walter Ulbricht; Moehler (fnu), Rheinmetall Boemmerda; Krapp (fnu), Ernst Thaelmann Werke; and Quinque (fnu), Kraftwerk Zschornowitz.
3. The 20 proposals for the improvement of the standard of living of the East German population were discussed by the representatives of the government and of the plants. Those proposals which will be accepted are to be made public at a special session of the Council of Ministers to be held in the Volkskammer assembly room on 10 December 1953. This announcement is to be given full coverage by propaganda media and 600 to 700 guests are to be invited to attend the special session. On 16 December 1953, the Volkskammer will enact into law those proposals accepted.
4. Of the 20 proposals only the following are known: increase pensions, raise salaries of wage groups V to VIII, improve medical care of the population, eliminate rationing, and lower the prices of food and consumer goods.
5. A further proposal called for the establishment of a special day in which women working in plants could do their housework (Haushaltstag). Herbert Warnke explained that this could not be granted because it would cost the government at least 40 million DME per year and if this project were implemented the planned elimination of rationing and general lowering of prices could not be carried out.
6. Jenny Matern sketched the medical situation in East Germany, quoting the following statistics as proof of improvements in this field:

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In 1948 there were seven polyclinics in East Germany; today there are 63. In 1951 there were 109 out-patient clinics (Ambulatorien); today there are 152. The number of plant **first** aid stations has risen from about 2,000 to 3,241, and the number of recovery rooms (Gesundheitsstuben) has increased from 1,197 in 1951 to 3,084 in 1953.

7. She also called attention to the increase in nurseries, especially in plants employing chiefly women, which now number 748. The utilization of these facilities on a daily basis rose from 3,000 instances in 1951 to 16,700 today, and the utilization on a weekly basis increased from 554 to 7,873.

8. Regarding the shortage of doctors, Jenny Hietern stated this was caused by the length of time necessary for training in this profession and also claimed that the many new facilities opened in the last years increased the demand for physicians to service them.

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9. Herbert Warkke stated that he wished to call the attention of the assemblage to the danger involved when the proposals under discussion were promulgated. He stated that the opposition, in his opinion, would attempt to distract the workers in the factories from discussing the benefits of this new law and would attempt to direct their attention to many other questions which cannot yet be solved.

10. Warkke warned that from personal experience in the past he knows that the East German government worked on the theory that a good thing should be made public immediately. The opposition, however, then succeeded in creating a diversion by pointing out faults in a completely different field. He stated that he feared this would again be the case with the law in question, that the opposition would prod the workers in the factories to demand dozens of other concessions which could not be granted at this time. The result would be that the advantage the Government hoped to gain by this law would disappear and the Government would again have to assume the defensive. 1/

11. In order to prevent such a situation, Warkke went on, it was necessary to make clear to the workers that only certain things could be accomplished immediately and that further improvements would have to come gradually. For example, the Government planned within the next year to eliminate rationing and to lower all prices. This would be impossible, however, if the demands for a Wushaltstax, for an increase in wages in certain pay groups, etc., were also to be carried out. He stated that the population must be made aware of the fact that such individual ameliorations would benefit only individual groups, whereas a general decrease in prices would benefit all groups, i.e., workers, housewives, pensioners, etc. alike.

- 1/ Comment. Warkke's remarks indicate the concern of high SED and East German governmental circles to the reaction of Western information media to the "improvements" of the New Course. His statements seem to indicate that he fears a continuation of such tactics on the part of the West will deprive the SED of the propaganda effect it hopes to gain by promulgating this new law.

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